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FEDERAL BUREAU OF INVESTIGATION
FM PHOENIX (194C-NEW) OP INVESTIGATION

TO DIRECTOR IMMEDIATE

CLAS

LEGED BRIBE TO BURTON BARR, SPEAKER OF THE ARIZONA HOUSE OF

REPRESENTATIVES; HOBBS ACT CPO. 00: PX.

ON APRIL 20, 1983, ARIZONA STATE SENATOR PETE CORPSTEIN
TELEPHONICALLY CONTACTED SA [REDACTED] AND ASKED HIM TO COME
SEE HIM AT HIS OFFICE. SA [REDACTED] MET WITH SENATOR CORPSTEIN
ALONG WITH ARIZONA ATTORNEY GENERAL INVESTIGATOR [REDACTED]
CORPSTEIN INFORMED [REDACTED] AND [REDACTED] THAT BURTON BARR WAS
PRESSURING THE LEGISLATORS TO VOTE FOR A SPECIFIC BILL THAT
ALLOWED RACE TRACK OWNERS TO OPERATE ONE OFF-TRACK BETTING PARLO
AND ALSO TO RACE THEIR OW HORSES OR DOGS AT THE TRACKS THEY OWN.
CORPSTEIN ADVISED THAT THE BILL WAS BAD LAW BUT HE DID NOT HAVE
ENOUGH VOTES TO STOP ITS PASSAGE IN THE SENATE. CORPSTEIN
ADVISED THAT HE COULD NOT UNDERSTAND WHY BARR WOULD NOT COMPROMISE

66 MAY 31 1983

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FEDERAL BUREAU OF INVESTIGATION
194-3832
MAY 4 1983

Exec AD Adm. b6
Exec AD Inv. b7C
Exec AD LES
Asst. Dir. [REDACTED]
Ad. Serv. [REDACTED]
Crim. Inv. [REDACTED]
Ident. [REDACTED]
Inspection [REDACTED]
Intell. [REDACTED]
Laboratory [REDACTED]
Legal Coun. [REDACTED]
Off. Cong. & Public Affs. [REDACTED]
Rec. Mgmt. [REDACTED]
Tech. Servs. [REDACTED]
Training [REDACTED]
Telephone Rm. [REDACTED]

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PAGE TWO PX 194C-NEW U .AS

ON THIS LEGISLATION UNTIL HE ATTENDED A MEETING THE PREVIOUS DAY IN SENATOR USDANE'S OFFICE WITH USDANE AND SENATOR TONY WEST. AT THAT MEETING WEST STATED THAT HE KNEW WHY BARR WAS PUSHING SO HARD ON THE LEGISLATION. IT WAS BECAUSE [REDACTED]

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[REDACTED] TURE PARADISE, INC., PHOENIX, ARIZONA, MET WITH BARR AND OFFERED HIM \$2 500 FOR THE LEGISLATION.

ON APRIL 20, 1983 SENATOR WEST WAS INTERVIEWED BY [REDACTED] AND [REDACTED] AND HE STATED THAT HE KNEW BURTON BARR WAS OFFERED \$2,500 FOR HIS CAMPAIGN EXPENSES BY [REDACTED] AND THAT BARR HAD REFUSED TO TAKE \$2,500, BUT AGREED TO TAKE \$1,500. SENATOR WEST ADVISED THAT [REDACTED] GAVE THE MONEY TO SOMEONE ELSE WHO PAID THE MONEY TO BARR.

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ON APRIL 20, 1983, SA [REDACTED] AND [REDACTED] REVIEWED PUBLIC DOCUMENTS REGARDING CAMPAIGN CONTRIBUTIONS TO BURTON BARR. FOR THE PERIOD SEPTEMBER TO OCTOBER, 1982, THREE INDIVIDUALS PAID \$1,500 OR MORE. ONE INDIVIDUAL WAS [REDACTED] BOARD MEMBER, AND STOCKHOLDER OF TURE PARADISE, INC. *AZ*

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ON APRIL 21, 1983, AUSA [REDACTED] ADVISED THAT THE ABOVE FACTS WARRANTED A PRELIMINARY INVESTIGATION TO LOCATE THE WHEREABOUTS OF [REDACTED] AND ALSO FURTHER CLARIFICATION OF

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PAGE THREE PX 194C-NEW UNCLAS

THE FACTS.

ON APRIL 21, 1983, SENATOR WEST CONTACTED SA [REDACTED] AND
ASKED IF THE FBI WAS GOING TO INVESTIGATE THE ALLEGATION. HE
STATED THAT HE WAS PRESENT WITH [REDACTED]
[REDACTED] AND BARR'S SECRETARY, WHEN BARR TOLD THEM THAT THE
PREVIOUS DAY HE HAD BREAKFAST WITH [REDACTED] AND [REDACTED]
OFFERED HIM \$2,500 AS A DONATION AND THAT HE TOLD HIM ONLY TO
GIVE \$1,500. SENATOR WEST ADVISED THAT BARR DID NOT TELL THEM
IF HE AND [REDACTED] HAD DISCUSSED SPECIFIC LEGISLATION.

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PHOENIX AT PHOENIX, ARIZONA: PHOENIX WILL MAKE EFFORTS
TO DETERMINE THE ADDRESS OF [REDACTED] SO HE CAN BE
INTERVIEWED IF FURTHER INVESTIGATION IS DEEMED APPROPRIATE IN
THIS MATTER.

BT

Airtel

6/15/83

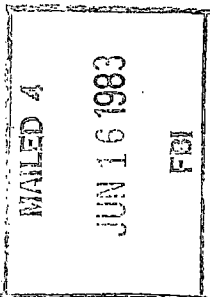
Director, FBI

SAC, Phoenix

1 [redacted] [redacted]
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ALLEGED BRIBE TO BURTON BARR, SPEAKER OF THE
ARIZONA HOUSE OF REPRESENTATIVES; HOBBS ACT - CPO
OO: PX

RePXtel to the Bureau, 4/22/83.

PX is requested to submit an LHM (original and 3)
suitable for dissemination, regarding this matter. LHM is
to include predication, U. S. Attorney's opinion, and the
initial investigative steps contemplated.



194-3832-2

Exec AD Adm. ____
Exec AD Inv. ____
Exec AD LES ____
Asst. Dir.:
Adm. Servs. ____
Crim. Inv. ____
Ident. ____
Insp. ____
Intell. ____
Lab. ____
Legal Coun. ____
Off. Cong. &
Public Affs. ____
Rec. Mgnt. ____
Tech. Servs. ____
Training ____
Telephone Rm. ____
Director's Sec'y ____

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3 JUN 20 1983

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ALLEGED BRIBE
TO BURTON BARR

On June 22, 1983, Assistant United States Attorney (AUSA) [redacted] Phoenix, Arizona, advised SA [redacted] that based on the above facts he did not feel sufficient evidence exists to prosecute those involved for Hobbs Act violations, nor did he feel the above facts indicate further investigation by the FBI is necessary at this time.

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Burton Barr is described as follows:

Name	Burton Samuel Barr
Sex	Male
Race	White
Height	5'10"
Weight	160
Hair	Brown
Eyes	Brown
Date of birth	October 14, 1917
Social Security Account Number	539-26-7867
Arizona driver's license number	B385092
Address	270 East Sierra Vista Drive Phoenix, Arizona



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Phoenix, Arizona
July 13, 1983

ALLEGED BRIBE TO
BURTON BARR
SPEAKER, ARIZONA STATE HOUSE
OF REPRESENTATIVES;
HOBBS ACT - CORRUPTION OF PUBLIC OFFICIAL

On April 20, 1983, Arizona State Senator Pete Corpstein telephonically contacted Special Agent (SA) [redacted] and asked him to come see him at his office. SA [redacted] met with Senator Corpstein, along with Arizona Attorney General Investigator [redacted]. Corpstein informed [redacted] and [redacted] that Burton Barr was pressuring the legislators to vote for a specific bill that allowed race track owners to operate one off-track betting parlor and also to race their own horses or dogs at the tracks they own. Corpstein advised that the bill was bad law, but he did not have enough votes to stop its passage in the Senate. Corpstein advised that he could not understand why Barr would not compromise on this legislation until he attended a meeting the previous day in Senator Usdane's office with Usdane and Senator Tony West. At that meeting West stated that he knew why Barr was pushing so hard on the legislation. It was because [redacted] Turf Paradise, Inc., Phoenix, Arizona, met with Barr and offered him \$2,500 for the legislation and gave the money to someone else to forward to Barr.

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On April 20, 1983, Senator West was interviewed by SA [redacted] and [redacted] and he stated that he knew Burton Barr was offered \$2,500 for his campaign expenses by [redacted] because he was present when Barr talked about the donation. He stated Barr refused to take \$2,500 but agreed to take \$1,500. Senator West advised that [redacted] gave the money to someone else who paid the money to Barr.

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

194-3832-

ENCLOSURE

ALLEGED BRIBE
TO BURTON BARR

On April 21, 1983, Arizona State Senator Tony West advised that sometime prior to August, 1981, he was having breakfast with Burton Barr. He stated that he and Barr have a joint campaign fund and also present was Barr's secretary and [redacted]

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[redacted] Mr. West stated Barr told the group that the previous day he had breakfast with [redacted] Turf Paradise, Inc., Phoenix, Arizona. Mr. West stated that Barr told him that [redacted] offered to give Barr's campaign fund \$2,500 and that Barr refused to accept \$2,500 but agreed to accept \$1,500.

Mr. West stated that Barr did not tell him what subject matter he and [redacted] discussed. He advised that Barr did not tell him if the offer by [redacted] for the campaign contribution was directly tied to a request for Barr to get specific legislation into law.

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Mr. West stated that he knows [redacted] and in his opinion [redacted] never does anything without strings attached. He stated that there is no doubt in his mind that [redacted] demanded action from Barr on specific legislation and offered to reward Barr with a campaign contribution. He stated he cannot prove this theory.

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On April 20, 1983, SA [redacted] and [redacted] received public documents regarding campaign contributions to Burton Barr. For the period September to October, 1982, three individuals paid \$1,500 or more. One individual was [redacted]

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On May 27, 1983, [redacted] stated he was a stockholder in Turf Paradise, Inc., Phoenix, Arizona, having invested approximately one million dollars, which represented four to five percent ownership. He stated that approximately a year to a year and one-half ago, he contributed \$1,500 to Burton Barr, Speaker of the House of Representatives, State of Arizona, based on a conversation he had with [redacted] [redacted] Turf Paradise, Inc., Phoenix, Arizona. He stated this conversation simply consisted of he and [redacted] talking and [redacted] stating that it would not hurt to have Barr on their "good side". [redacted] stated that [redacted] never indicated he had talked to Barr, nor was there any guarantee Barr could do Turf Paradise, Inc., any good. He stated that the \$1,500 was his personal money spent on behalf of Turf Paradise, Inc., as a friendly gesture. He stated he was not reimbursed by [redacted] or Turf Paradise, Inc.

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ALLEGED BRIBE
TO BURTON BARR

[] advised [] never indicated Barr would be instrumental in passing legislation that permitted [] to race his own horses at his own track. [] stated that this legislation was, in fact, not advantageous to owners in that almost every state allowed this practice and he could see little financial advantage.

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[] stated that if the donation was for anything favorable, it would be for favorable legislation in the on-going controversy between Turf Paradise, Inc., and Arizona Downs, which owns one half of the race dates. [] stated that this controversy had been going on six or seven years and was a legal battle based on Turf Paradise, Inc., investing approximately 30 million dollars into the race track, while Arizona Downs contributed nothing, yet Arizona Downs maintains half of the race dates. [] stated that this controversy has driven the Turf Paradise, Inc., stock down to approximately one half of his initial investment.

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[] stated this was his first contribution to Barr and at the same time he contributed money to the former Speaker of the House, who just unsuccessfully ran for Governor of Arizona, name unrecalled. He stated both contributions were personal checks and he would provide these checks to the Federal Bureau of Investigation (FBI) as soon as he could search his records. He stated he would mail xerox copies of these checks to the FBI, Chicago.

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On June 2, 1983, [] telephone number [] provided the following xerox copies of personal checks by way of United States Mail, postmarked May 31, 1983, and received by the FBI, Chicago, on June 2, 1983:

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1. Check #1471 of [] and []
[] dated August 21, 1982, payable to Burt Barr Campaign for \$1,500 drawn on the Riverdale Bank, Riverdale, Illinois.
2. Check #1472 of [] and []
[] dated August 21, 1983, payable to Friends of Babbitt, for \$1,000 drawn on the Riverdale Bank, Riverdale, Illinois.

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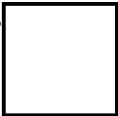
Memorandum



To : DIRECTOR, FBI

Date 7/11/83

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SAC, PHOENIX (194C-174) (C)

Subject :

ALLEGED BRIBE TO BURTON BARR,
SPEAKER OF THE ARIZONA HOUSE OF
REPRESENTATIVES;
HOBBS ACT - CPO
(00: Phoenix)

Re Bureau airtel to Phoenix dated 6/15/83.

Enclosed for Bureau is original and three
copies of Letterhead Memo captioned as above. One copy of LHM
is being forwarded to the USA, Phoenix.

- ② - Bureau (Enc. 4)
- 1 - Phoenix



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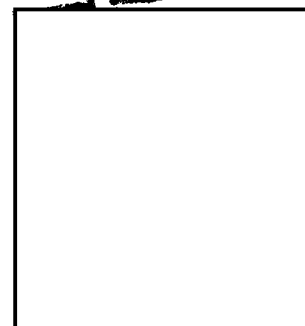
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2cc - crim. Pub. Integrity
1cc - WCC

7/27/83



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